REMARKS

The Office Action dated June 12, 2007 has been received and carefully noted. Claims 1, 3-8, 10-19 and 21-30 were examined. Claims 2, 9 and 20 have been previously canceled. Claims 1, 3-8, 10-19 and 21-30 appear rejected under 35 U.S.C. § 103(a). Claims 1, 8, 16, 19 23 and 30 are amended. No claims are canceled. Applicants submit additional claims 31-34. Applicants submit that no new matter is added herein as amendments to claims 1, 8, 16, 19 and 23 are supported at least at paragraphs 2-3 and 9-11 of the application. Also, additional claims 31-32 are supported at least by paragraph 11, and additional claims 33-34 are supported at least by paragraph 13 of the application. Applicants respectfully request reconsideration of claims 1, 3-8, 11-9 and 21-30 as amended, and consideration of additional claims 31-34 in view of the following remarks.

I. Claims Rejected Under 35 U.S.C. § 103

Claims 1, 3-8, 10-19 and 21-30 are rejected under 35 U.S.C. § 103(a) as being unpatentable over U.S. Publication No. 2002/0126752 by Kim (hereinafter "Kim") in view of U.S. Patent Publication 2003/0041257 by Wee et al. ("hereinafter "Wee"). For a claim to be obvious every limitation of that claim must be taught or suggested by at least one properly combined reference. Moreover, the combination of elements of the claim must be "more than a predictable use of prior art elements according to their established functions."

With regard to independent claims 1, 8, 16, 19 and 23, these amended claims include the limitation dynamically adjusting an aggressiveness of down sampling of the data stream including decompressed video data (claims 1 representatively for claim 8, 16, 19 and 23). *Kim* discloses a video transcoding apparatus that down samples a video bit stream before storing the down sampled macro block. (*Page 3, paragraph [0047]*) *Kim* does not teach or suggest the above elements.

Wee does not cure this defect. Paragraph 3 lines 1-4, 10-11 and Paragraph 4 of Wee which the Examiner cites, discloses only scalability and efficiency needed in the wireless streaming environment (Office Action, Page 6, lines 3-4 from bottom). Moreover,

Wee describes that data is scaled by decompressing the header data and scaling compressed video data based on recommended truncation points for data packet transcoders, where the truncated video data contains the actual coded video truncated for lower resolution or fidelity (see Figure 20 and paragraphs 86 and 88-90). Thus, although the data is truncated, the truncation is not performed in decoded or decompressed video data (see Block 1920 of Figure 19 and paragraphs 103-104). In fact, it is the principle of operation of *Wee* that the video data does not have to be decrypted or decompressed but instead only the header portion needs to be decrypted, resulting in fewer computational resources needed for transcoding the stream of data packets (see Figures 18A-19 and paragraph 124).

Hence, neither *Kim* nor *Wee* teach or suggest the above noted limitations of the amended independent claims.

The Patent Office apparently rejects claims 27-29 under 35 U.S.C. § 103(a) as being unpatentable over *Kim* in view of *Wee* and further in view of U.S. Patent No. 6,052,415 issued to Carr et al. (hereinafter "Carr").

Carr does not cure the defects noted above with respect to Kim and Wee.

Hence, Applicants submit that the independent claims, as amended, are patentable over the cited references.

Any dependent claims not mentioned herein are submitted as not being anticipated or obvious for at least the same reasons given above in support of their base claims, as well as to the additional limitations required by each dependent claim.

Hence, Applicants respectfully request the Patent Office withdraw the rejections above for the rejected claims.

II. Additional Claims 31-34

Applicants submit that additional claims 31-34 are patentable for at least the reasons noted above in support of their base claims as well as the additional limitations of these added claims.

CONCLUSION

In view of the foregoing, it is believed that all claims now pending, namely claims 1-30, patentably define the subject invention over the prior art of record, and are in condition for allowance and such action is earnestly solicited at the earliest possible date. If the Examiner believes that a telephone conference would be useful in moving the application forward to allowance, the Examiner is encouraged to contact the undersigned at (310) 207 3800.

If necessary, the Commissioner is hereby authorized in this, concurrent and future replies, to charge payment or credit any overpayment to Deposit Account No. 02-2666 for any additional fees required under 37 C.F.R. §§ 1.16 or 1.17, particularly extension of time fees.

Respectfully submitted,

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Dated: September 13, 2007

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CERTIFICATE OF MAILING

I hereby certify that this correspondence is being deposited with the United States Postal Service as first class mail in an envelope addressed to: Mail Stop AF; Commissioner of Patents, P.O. Box 1450, Alexandria, Virginia 22313-1450.

Lori A. Ciccio

Date: September 13, 2007